UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

CONSORZIO DEL PROSCIUTTO DI SAN DANIELE,	)	
Plaintiff-Counterclaim Defendant,	)	C.A. No. 07-039 ML
v.	)	
DANIELE, INC.,	)	
Defendant-Counterclaim Plaintiff	)	

PLAINTIFF/COUNTERCLAIM DEFENDANT'S REPLY

Plaintiff/Counterclaim Defendant Consorzio del Prosciutto di San Daniele ("Consorzio"), by its counsel, files this reply to Defendant/Counterclaim Plaintiff Daniele, Inc.'s counterclaim.

I. PARTIES

1. The Consorzio is without sufficient knowledge or information to either admit or deny the truth of the allegations set forth in paragraph 1 and accordingly leaves Counterclaim Plaintiff to its proof thereon.

2. The Consorzio admits the allegations of paragraph 2.

II. JURISDICTION

3. The Consorzio states that the allegations of paragraph 3 are legal conclusions to which no response is required.

III. DECLARATORY RELIEF

4. The Consorzio admits the allegations of paragraph 4.

5. The Consorzio denies the allegations of paragraph 5.

6. The Consorzio states that the Agreement speaks for itself and for this reason denies the allegations of paragraph 6.

7. The Consorzio states that the Agreement speaks for itself and for this reason denies the quoted material from the Agreement in paragraph 7. The Consorzio denies the last sentence of paragraph 7.

8. The Consorzio denies the allegations of paragraph 8.

9. The Consorzio denies the allegations of paragraph 9.

10. The Consorzio states that the allegations of paragraph 10 are legal conclusions to which no response is required but to the extent a response is required, the Consorzio denies the allegations of paragraph 10.

First Affirmative Defense

Counterclaim Plaintiff's counterclaim fails to state a cause of action upon which relief can be granted.

Second Affirmative Defense

The Court should decline Counterclaim Plaintiff's request for a declaratory judgment due to Counterclaim Plaintiff's unclean hands.

WHEREFORE, Plaintiff/Counterclaim Defendant prays that the Court dismiss the counterclaim, award Plaintiff/Counterclaim Defendant its costs of defending this action, and grant such other and further relief as the Court deems appropriate.

/s/ Matthew F. Medeiros
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Dated: March 29, 2007

CERTIFICATION

I hereby certify that on March 29, 2007, a copy of the foregoing Plaintiff/Counterclaim Defendant's Reply was filed electronically. Notice of this filing will be sent by e-mail to all parties by operation of the Court's electronic filing system, or by e-mail or to anyone unable to accept electronic filing as indicated on the Notice of Electronic Filing. Parties may access this filing through the Court's CM/ECF System.

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/s/ Matthew F. Medeiros